

## Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

## EJF INVESTMENTS LTD Ordinary share

ISIN: JE00BF0D1M25

www.ejfmanager.com

Competent Authority: Financial Conduct Authority

Call +44 (0) 20 3752 6774 for more information

This document was published on 01-07-2024

**You are about to purchase a product that is not simple and may be difficult to understand.**

## What is this product?

**Type:** Ordinary shares in a closed-ended investment company incorporated in the Bailiwick of Jersey. Save for payments of dividends or other returns (e.g. on a winding up), Ordinary shares of no par value in EJF Investments Ltd ("the **Company**") is not expecting to pay you and you are expected to generate returns through selling your shares through a bank or stockbroker. The ordinary shares have no maturity date. Shares of the Company are bought and sold via markets. Typically, at any given time on any given day, the price you pay for a share will be higher than the price at which you could sell it.

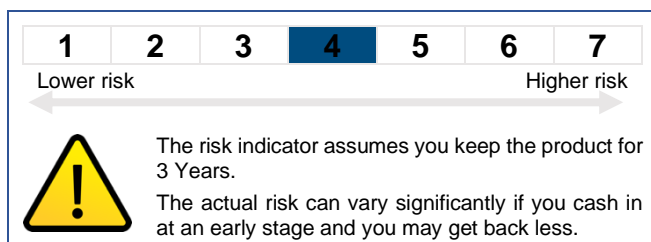
**Objectives:** Its objective is to provide shareholders with attractive risk adjusted returns through regular dividends and capital growth over the long term. EJFI generates exposure primarily to a diversified portfolio of loans issued by financial institutions and related or similar assets in the U.S., U.K. and Europe. The Company has borrowed (through the issue of zero dividend preference shares) and may also utilise debt facilities to purchase assets in the future. This will magnify any gains or losses made by the Company.

**Intended retail investor:** Intended investors are expected to be institutional investors, professional investors, and individuals who are professionally advised and knowledgeable and who (either alone or in conjunction with an appropriate financial or other adviser) understand and are capable of evaluating the risks and merits of such investment, and who do not need a guaranteed income or capital protection, and who have sufficient resources to bear any loss (which may be equal to the amount invested) which might result from such investment.

**Term:** The Company is a closed-ended investment fund with indefinite life with continuation votes every 5 years. The next continuation vote will be held in 2027.

## What are the risks and what could I get in return?

### Risk Indicator



The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product

will lose money because of movements in the markets or because we are not able to pay you.

We have classified this product as 4 out of 7, which is a medium risk class. This rates the potential losses from future performance at a medium level, and poor market conditions could impact the capacity to pay you.

Other risk factors should be considered before investing including concentration, currency, operational, counterparty and liquidity risk.

This product does not include any protection from future market performance so you could lose some or all of your investment.

If we are not able to pay you what is owed, you could lose your entire investment.

## Investment performance information

### Main factors likely to affect future returns for the investors:

Past performance of the Company can be accessed [here](#). Key factors that are likely to affect future returns for investors are, but are not limited to:

- the financial performance of the investment in EJF Investments Holding Limited ("EJFIH"), the subsidiary of the Company. The valuation of EJFIH's investments are based primarily on the financial performance of the underlying investments (primarily Securitisations & Related Investments and Specialty Finance Investments);
- the performance of the underlying investments is likely to be impacted by broader geopolitical and macro-economic factors including economic growth, monetary policy (interest rates), inflation and fiscal policy, among others;
- other factors that could impact performance include, but are not limited to, the Investment Manager's ability to attract and retain able investment professionals, the performance of credit markets, the ability to securitise, market confidence, the regulatory environment, interest rate movements and foreign exchange fluctuations.

The returns an investor will receive depend on future market performance of and the associated demand for the product. Market developments in the future are uncertain and cannot be accurately predicted.

### Benchmark disclosures including how the PRIIP compares in terms of performance and volatility:

Due to nature of most of the underlying exposures, the product is not managed with reference to a benchmark.

### Expected outcome the investors may expect under severely adverse market conditions:

Outcomes can also be affected by how long you keep your investment. Under severely adverse market conditions, there is a risk that the capital value of an investment in the Company's shares could reduce significantly, potentially down to zero.

### What could affect my return positively?

The Manager's investment decisions impact returns, influenced by economic and regulatory conditions. Positive factors include effective investment selection, strategic utilization, and the ability to manage investments for stable income and capital growth. Favourable macro-economic environments and financial market conditions, such as spread tightening, and potential consolidation in the US financial services sector, may enhance performance. Early redemption of certain investments directed by the Manager can contribute to positive returns. Additionally, higher returns may result from favourable market rates for securitized equity tranches in EJFI's operating areas. The use of leverage by EJFI has the potential to further boost returns.

### What could affect my return negatively?

Returns may be negatively affected if EJFI's investments do not perform as expected. This could be for various reasons, including, but not restricted to, poor investment decisions by the Manager or due to a negative macro-economic outlook, where economic concerns could lead to high levels of deferrals or defaults in EJFI's underlying assets. A prolonged closure of relevant securitisation markets may negatively impact returns and investor demand for EJFI. Leverage utilised by EJFI may also further negatively impact returns.

### What happens if EJF Investments Manager LLC is unable to pay out?

As a shareholder of EJF Investments Limited you would not be able to make a claim to the Financial Services Compensation Scheme nor any other compensation body about either EJF Investments Manager LLC or the Company in the event that the Company were unable to pay any dividends or other returns it may elect to pay from time to time, or if it were unable to pay any amounts due to you on a winding up at the end of its life. If you sell your shares on the London Stock Exchange, your bank or stockbroker will receive cash on delivery of your shares and should pass that to you.

### What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs.

The amounts shown here are the cumulative costs of the product itself, for three different holding periods.

They include potential early exit penalties. The figures assume you invest 10 000 GBP. The figures are estimates and may change in the future.

#### Costs over time

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

#### Investment GBP 10 000

Scenarios	If you cash in after 1 Year	If you cash in after 2 Years	If you cash in after 3 Years
Total costs	180 GBP	360 GBP	540 GBP
Impact on return (RIY) per year	1.80%	1.80%	1.80%

#### Composition of costs

The table below shows the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period and the meaning of the different cost categories.

#### This table shows the impact on return per year

One-off costs	Entry costs	0.00%	The impact of the costs you pay when entering your investment. This is the most you will pay, and you could pay less.
	Exit costs	0.00%	The impact of the costs of exiting your investment when it matures.
Ongoing costs	Portfolio transaction costs	0.00%	The impact of the costs of us buying and selling underlying investments for the product.

	Other ongoing costs	1.80%	The impact of the costs that we take each year for managing your investments and the costs presented in Section II.
<b>Incidental costs</b>	Performance fees	0.00%	The impact of the performance fee.
	Carried interests	0.00%	The impact of carried interests.

## How long should I hold it and can I take my money out early?

### Recommended holding period: 3 Years

Listed funds are designed to be long term investments and the returns from them can be volatile during their life.

You should plan to hold your shares for at least a three-year investment horizon and the recommended holding period.

As the Company's shares are listed on the London Stock Exchange, you can expect to sell them at any time through your bank or stockbroker.

## How can I complain?

As a shareholder of the Company, you do not have the right to complain to the Financial Ombudsman Service (FOS) about the management of the Company. If you have any complaints about the Company or this key information document, you may lodge your complaint:

- via email to [ejfcosec@apexgroup.com](mailto:ejfcosec@apexgroup.com)
- in writing to EJV Investments Ltd, IFC 5, St Helier, Jersey, JE1 1ST.

If your complaint is not satisfactorily resolved then you may refer the matter to the Jersey Financial Services Commission. For further information please go to: <https://www.jerseyfsc.org>.

## Other relevant information

Other Ongoing Costs is calculated as the gross costs attributable to ordinary shareholders before the reimbursement from the Manager is taken into account.

EJV Capital LLC ("EJV"), through its ownership of EJV Investments Manager LLC, was absorbing 10% of the recurring operating expenses of the Company, aside from management and incentive fees. As communicated on 17 June 2024, EJV discontinued this voluntary absorption of costs effective 1 July 2024. Cumulatively, EJV has reimbursed approximately £6.8m of EJV's recurring operating expenses since its initial listing in April 2017.

We are required to provide you with further documentation, such as the Company's latest prospectus, annual and semi-annual reports. These documents and other information relating to the Company are available online at [www.ejfi.com](http://www.ejfi.com).